COLORADO
Department of Health Care Policy & Financing

Dear Long-Term Services and Supports Provider,

We want to acknowledge the challenges that impact members who receive Long-Term Services and Supports (LTSS) and thank members, advocates and providers for swiftly identifying these. Refer to the Stabilizing Long-Term Services and Supports (LTSS) web page for details. We have heard your feedback and we are taking action to mitigate and ultimately eliminate inappropriate LTSS terminations through at least December 31, 2024, while the LTSS eligibility processes at case management agencies and counties stabilize.

Our intent is to collaborate closely with select counties and case management agencies to retrospectively review procedural denials. Ensuring coverage is maintained for LTSS members and getting LTSS providers paid are top priorities for the Department of Health Care Policy & Financing (the Department).

Many LTSS providers are experiencing an increase in claim denials due to delays in financial eligibility determinations and in the prior authorization of services due to these issues. We understand the significant impact this has on providers and realize that many are unable to carry the unpaid claims balance within existing resources.

Solutions are being pursued to immediately address these issues and protect coverage for LTSS members through system and process changes, mitigating payment delays for providers so members can access needed services, and easing the backlog and capacity challenges being experienced by the counties and case management agencies.

New Actions To Protect Coverage of LTSS Members

1. **Expedited Backlog Processing**: An eligibility system change will be expedited to process the backlog of Level Of Care (LOC) Certification entries.
2. **Preventing Termination During Processing**: A system change will be implemented to prevent financial eligibility terminations for missing the LOC while the LOC is being processed.
3. **Temporarily Pausing Terminations**: Terminations will be temporarily paused for all reasons for LTSS members for two months past the member's original termination date, unless the termination is for a member who has moved out of state or has passed away. This system change will replace the 60-day extension for the renewal period for Long-Term

Care (LTC), individuals on Home and Community-Based Services (HCBS) waivers and Buy-In recipients who have yet to return their renewal packet on time. Instead, the system will apply a two-month extension for all denial reasons. A notice will be sent to members to let them know they have a two-month extension.

4. **Reinstating Eligibility**: Eligibility will continue to be reinstated for all LTSS members when their eligibility is set to end, similar to what occurred in February, 2024, when eligibility was reinstated for LTSS members after a system update unintentionally terminated their coverage. Once a member's eligibility has been reinstated, they will remain active until their case can be properly processed through the two eligibility system changes described above.
5. **Monitoring and Reversing Inappropriate Terminations**: If the member's eligibility is still pending due to missing documentation or verifications after the two-month extension, county workers may manually implement a pause by applying a Good Faith Extension, further delaying termination until the member's case can be fully reviewed. Guidance was reissued to county workers on the Good Faith Extension on March 1, 2024. This will be monitored closely to watch for any inappropriate terminations and to work to reverse those identified.

New Actions For Timely Provider Payments to Protect LTSS Member Access To Services: System adjustments are being implemented to ensure providers receive timely payment for covered services.

1. **Prior Authorization Request (PAR) Extension**: Prior authorizations for LTSS-eligible members who do not have a current Prior Authorization in the claims payment system will be extended for an additional year.
2. **Benefit Plan Extension**: The member's current benefit plan (e.g., HCBS BI - Brain Injury Waiver) will be extended for an additional year. This will allow the claims payment system to continue to pay for services even if the case management agency has not had the opportunity to provide that information through the Bridge system.

If providers are unable to locate a prior authorization in the Provider Web Portal, they are encouraged to verify eligibility for LTSS benefits, provide services they have traditionally provided to the LTSS-eligible member and submit a claim for services so there is a timely record of the service being billed. The Department may have the ability to pay for those services at a future date without requiring the provider to resubmit the claim.

Case management agencies can continue to complete and update PARs for newly enrolled members through their normal process. If the member's needs change, the case manager will be able to edit Service Plans and PARs to make that adjustment.

Denied claims with dates of service beginning **July 1, 2023** ~~July 1, 2024,~~ will be reprocessed and will be reported on the remittance advice (RA) on March 18, 2024. Claims are being reprocessed to allow for any updates to prior authorizations. If the claim was originally denied for no prior authorization, but a matching effective prior authorization is now in place, the claim may now pay.

The Department is committed to overcoming these challenges through actions, focus, partnership, transparency, and effective communication. Visit the new Stabilizing Long-Term Services and Supports web page to learn more.

Your continued engagement is sincerely appreciated. As the above solutions are implemented over the coming weeks, use the Health First Colorado and Child Health Plan Plus Grievance Form to bring individual cases that have not been resolved through normal processes to our attention.

Thank you for your partnership,

Department of Health Care Policy & Financing